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SURVEYS OF DEVELOPMENT OF DIVERSIFIED
OPERATIONS IN COMMUNES
- COMMUNIST CHINA -

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SURVEYS OF DEVELOPMENT OF DIVERSIFIED
OPERATIONS IN COMMUNES

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LARGE AND PUBLIC ASPECT OF COMMUNE FACILITATES

DEVELOPMENT OF DIVERSIFIED OPERATIONS

Investigation of the Development of Diversified Economy
by the Liu-Hsia People's Commune, Hangchow
Municipality, Chekiang Province

The following is a full translation of a report by a special investigation team of the Agricultural Economic Research Institute of the China Agricultural Science Academy; the Department of Agricultural Economics, China People's University; and the Department of Agricultural Economics, Peiping Agricultural University, published in Jen-min Jih-pao, Peiping, 12 December 1959, page 7.

Brilliant Achievements of Past Two Years

The Liu-Hsia People's Commune is situated in the northwestern suburbs of Hangchow Municipality. It was established in September 1958 through the amalgamation of 41 higher agricultural producer cooperatives and two small market-towns.

To the south of the commune are high mountains, and to the north are plains, rivers and small bodies of water. The temperature is moderate, the soil is fertile, water resources are ample and industrial mineral resources are appropriately rich. There exist the most favorable conditions for the comprehensive development of agriculture, forestry, animal husbandry, sideline occupations and fisheries.

In 1958, under the illumination of the rays of the Party's general line for socialist construction, there was an overall leap forward in all departments of the economy. The total value of industrial and agricultural production reached 6,788,432 yuan, an increase of 41.2 percent over 1957.

There was an unprecedented big bumper harvest in agriculture. The average yield per mou of paddy fields was 783 chin, an increase of 63 percent over 1957. The average yield per mou of tea plantations showed an increase

of 34.8 percent over 1957.

The total income from agriculture reached 5,049,807 yuan, an increase of 14.5 percent over 1957. Of the agricultural income, income from the planting enterprises made up 50.8 percent, an increase of 14.2 percent over 1957. Tea yielded 12.8 percent of the total income, registering an increase of 12 percent over 1957. The cocoon industry yielded 10.2 percent of the total income, registering an increase of 20 percent over 1957. Fishing yielded 19.8 percent of the total income, registering an increase of 31 percent over 1957. Animal husbandry yielded 1.3 percent of the total income, registering an increase of 252 percent over 1957. And, forestry yielded 0.2 percent of the total income. Other subsidiary enterprises yielded 4.9 percent of the total income. The growth in "economic" income increased the income of members of the commune and raised their standard of living.

After the establishment of the people's commune, commune-operated industrial enterprises underwent a mushroom-like growth, and more than 20 factories, including units concerned with native fertilizers, farm tool repair and manufacturing, agricultural by-products processing, bamboo-ware, carpentry, paper, fiber, and coal briquettes were established. After the overhauling of the commune in 1959, the various factories were merged into seven small sized factories.

The total value of industrial production in 1958, was 1,738,625 yuan, being 25 percent of the combined value of industrial and agricultural production. The development of industrial production not only supported the overall development of agricultural production and industrial construction in the city, by supplying large quantities of commodities to the market and promoting urban and rural prosperity, but more important still, it also paved the way for the forward march of industrialization of the communes and the mechanization and electrification of agriculture.

Following the overall big leap forward in industrial and agricultural production in 1958, during the first half of 1959 the commune again achieved an unprecedented leap forward in industrial and agricultural production. During the first half of 1959, the total value of industrial production was 1,140,000 yuan, an increase of 2.2 times over

the same period in 1958, and overfulfillment of the plans by 101.6 percent.

The total value of agricultural production during the first half of 1959, was 2.3 million, an increase of 14.6 percent over the same period in 1958, and there was an overall increase in production in diversified branches of the economy, including agriculture, forestry, animal husbandry, side-line occupations and fish raising. The per unit yield of the early rice crop showed an increase of 30.2 percent over 1958; rape-seed production increased by 63 percent; broad bean production increased by 22 percent; and wheat production increased by 9 percent.

Income from forestry increased by 24.7 percent over the same period in 1958. Side-line occupations yielded an income which was an increase of 106.7 percent over that of 1958. And, income from fisheries increased by 142.43 percent. The spring and summer cocoon crops also showed appropriate increases. Animal husbandry also reported a great development as the result of the correct implementation of the policy of the Central Committee of the Party, which provides for paying major attention to collective breeding, but with the focus on both it and individual breeding. The number of hogs reached 5,500 head, sheep 10,600 head, poultry 40,000 and rabbits 2,950.

Unified Planning with Consideration for Local Expediency

On the basis of the special characteristics making up its economic income, the Liu-Hsia People's Commune may be divided into three different economic areas. They are: a mountainous area with grain as the major crop and tea the secondary one; a semi-mountainous area with tea as the major crop and grain as the secondary one; and the plains with grain as the major crop, and fish and cocoon raising as the secondary occupation. Due to differences in the production and the living standards of the commune members. The details are given in the following table:

Economic Income Rations of Different Economic Departments
of Liu-Hsia People's Commune 1958

	<u>Mountainous</u> <u>Area</u>	<u>Semi-</u> <u>Mountainous</u> <u>Area</u>	<u>Plains</u> <u>Area</u>	<u>Total</u>
Economic Pattern	Paddy, Tea	Tea, Paddy	Paddy, Cocoon, Fishery	-
Total Income (Yuan)	455,494	727,883	3,866,430	5,049,807
Percentage of Total Income from Different Under- takings:				
Farming	55.05	32.70	53.66	50.8
Tea	32.07	53.17	2.98	12.8
Cocoon	0.38	-	13.22	10.2
Forestry	0.74	0.29	0.07	0.2
Animal Husbandry	0.73	1.85	1.28	1.3
Fishery	1.65	0.10	25.73	19.8
Side-line	6.34	11.30	2.46	4.1
Others	3.04	0.59	0.60	0.8

Mountainous Area: It includes eight of the original higher agricultural producer cooperatives, with 18.24 percent of the total households of the commune. Mountain land constitutes 80 percent of all the land, and cultivated land constitutes 10 percent. There are rich resources of timber, and bamboo. In the past the peasants earned their livelihood by felling trees for firewood and by making paper and bamboo-ware. They raised few farm crops, and on fragmentary plots on slopes they planted tubers. They were dependent on outside sources of supply for grain for

the most part, and animal husbandry was not developed. After liberation, the backward situation was gradually changed.

Attention was first given to the development of grain and tea production. Abandoned cultivatable land was reclaimed, and the sown area expanded, so that the grain and tea undertakings rapidly yielded increased income and at the same time animal husbandry was also developed to a definite extent. In 1958, income from planting made up 55.05 percent of total income, and tea dropped to second place. This basically transformed the former situation in which the area depended on outside supplies of grain. The rapid development of production continually increased the income of the members of the commune, and raised their standard of living.

Semi-Mountainous Area: It includes six of the former higher agricultural producer cooperatives, with 15.92 percent of all households in the commune. The land consists mostly of hillocks and there are few plains. Of crops, tea is the major item. In 1958, tea production accounted for 53.17 percent of the total income, with agricultural undertakings coming second with 32.70 percent. Side-line production has a considerable history in this type of area, and made up 11.3 percent of the income. Animal husbandry is not developed. Tea production has a very long history, and generally output is high and the quality is good. As example, the Yang-Chia Pai-Lou production team achieved an average yield of 241 chin of tea per mou, which was twice the average per mou yield of the whole commune. The living standards of the commune members in such areas are also comparatively higher. In 1958 the average income per capita was 30 percent higher than that in the mountainous area. In the future, if animal husbandry is vigorously developed and other sideline occupations organized, the development of a diversified economy will be further promoted.

Plains: Included in the plains area are 27 of the original higher agricultural producer cooperatives, with 65.84 percent of all households in the commune. The whole area is traversed by rivers, ponds are numerous, and mulberry trees and fruit trees are planted in large numbers along the banks of them. The paddy fields have fertile soil, and adequate water resources which facilitate

irrigation. Throughout the area grain, fresh fish, bamboo shoots and persimmons are produced in quantity. There are rich natural resources.

In 1958 income from fisheries constituted 25.73 percent of all income, coming second only to farming. Due to the comparatively balanced development of the areas diversified economy, the total income is comparatively higher than in the other areas, and the income level of the commune members is also higher. In 1958, the average income per capita was 92 yuan, being 61 percent higher than the average per capita income in the mountainous area, and 24 percent higher than in the semi-mountainous area. It was also an increase of 8.2 percent over 1957.

Before liberation, industrial crops were more developed in this area and grain production was small, which reflected the specialization in production of a primitive agricultural economy. After liberation, under the correct leadership of the Party, and following the establishment and development of the collective ownership system in the rural areas, the area quickly switched away from the former situation of paying primary attention to industrial crops and belittling grain production. Grain production and other departments of the economy saw rapid development. In addition to the expansion of cultivated areas, the farming system was also improved and the yield per unit of area was rapidly raised.

The superiority of developing a diversified economy is reflected in the following ways:

First, it can utilize labor power in a rational and balanced manner. Based on the investigation of a few representative production teams in areas of different economic patterns, we find proof that due to the differences in the extent of development of a diversified economy, marked differences are to be found in the level of utilization of labor power and its state of balance. This can be seen in the following table:

Percentage of Labor Employed in Different Months in
a Year by the Production Teams of
Wu-Ssu, P'ing-Feng, and Shen Tseng-K'ou

Economic Pattern	Production Teams		
	Wu-Ssu	P'ing-Feng	Shen Tseng-K'ou
	Grain & Tea	Tea & Grain	Grain, Fisheries & Cocoon
Working Units for Whole Year	25,341	60,042	155,548.5
January	2.29	3.12	7.12
February	3.89	1.80	8.02
March	4.36	4.19	6.8
April	25.95	27.64	12.71
May	14.35	21.51	10.76
June	7.81	4.73	7.89
July	19.66	18.43	12.33
August	3.59	5.11	5.93
September	1.96	0.89	7.24
October	10.52	9.15	10.31
November	3.73	2.07	5.84
December	1.89	1.36	5.05

From the above table showing the utilization of labor for the whole year in different production teams, we find that the "Wu-Ssu" team is only engaged in planting crops, with paddy rice as the primary crop and tea the next, so labor employed is more concentrated during the months

April through July. During this period, we have the sowig season, the emergency harvesting season and the tea picking season, and so more labor is employed. In the other months, less labor is needed. The monthly averages differ greatly, with the month in which the highest amount of labor is used is 13.73 times the amount utilized during the month when the least is used.

The chief undertaking of the P'ing-Feng Production Team is tea production, followed by paddy rice. The situation relating to labor employment is somewhat similar to that of the Wu-Ssu Production Team. There are two peak periods during the year, the first being from the end of March to the beginning of August, and the second from the end of October to the beginning of November. The seasonal nature of employment is also very marked, the highest month using 31.06 times that utilized in the lowest month.

The Shen-Tseng-K'ou Production Team operates more diversified undertakings, and in addition to paddy rice there is cocoon raising, fish ponds and fruits. Though more labor is used during the two periods of March through July, and October and November, nevertheless the monthly averages for the year are more balanced, the highest month using only 2.5 times that of the lowest month. Compared with the first two teams, it strikes a greater balance in the employment of labor, and thereby the seasonal nature of the utilization of labor power in agricultural production is regulated.

A developed and diversified economy can fully and rationally utilize labor power, unearth labor resources, raise labor productivity and create more material wealth for society. The per capita value created in each type of economic pattern in the people's commune proves that a production team with the more successfully developed diversified economy achieves greater labor productivity, and creates greater value. To take the above three representative teams: the Wu-Ssu team reported an annual created value of 296 yuan per capita; the P'ing-Feng team 349 yuan, and the Shen-Tseng-K'ou team 351 yuan, which is 18.5 percent higher than that reported by the Wu-Ssu team.

To fully and rationally utilize labor power, the Yang-Chia Pai-Lou production team organized a side-line

production squad with 50 percent of its members from among those of medium labor capacity or from the disabled, the average age of members of the squad being over 50. In accordance with the techniques of the different members, they are engaged in the production of bamboo-ware, such as bamboo sieves and bamboo baskets. The average value created [per day] by each person is 2.5 yuan, and their net income is 1.5 yuan. In this way each person becomes the equivalent of one whole labor unit. If they were assigned to farm work, three of them would not be equivalent to one normal labor unit.

Secondly, the development of a diversified economy can fully utilize natural resources. The different departments operated can be mutually coordinated and can mutually support each other to facilitate the development of production. Speaking from the viewpoint of agriculture itself, the different departments must be closely coordinated and mutually supporting, so that agricultural production as a whole can leap forward.

Take the example of Shen-TsengOK'ou production team. The mud from the fish pond is dug up and laid over the mulberry fields on the banks, so that the production of mulberry leaves is increased, which guarantees the development of cocoon raising. The excretion of the cocoons, in turn, is good fertilizer and also a good supply of fish food. In addition, the secretion of sheep is also a good fertilizer and source of feed for fish [sic]. The excretion of the fish in turn increases the fertility of the pond mud. This production team in 1959 needed 557,900 ton of pond mud for the spring crop, and labor amounting to 18,500 man-days. If human excretion had been converted into manure, as was formerly done, it would have cost 27,984 yuan. By utilizing pond mud derived from local sources, the cost of fertilizing each mou of rice field was reduced by 37 percent.

Coordination between the different production departments also accelerates the turnover of capital funds, and solves in time production needs. In the mountainous area and semi-mountainous area, before the harvesting of a crop, cash income is small. Difficulties in getting cash are experienced when fertilizer must be acquired during spring sowing and in the payment of wages at the end of each month. But in the plains, income from industrial crops and sideline production is greater, the turn-

over is quicker and production expenses and wage payments for the whole year are better regulated.

The establishment of industrial undertakings by the commune has also effectively supported agricultural production. The area of paddy fields in the commune is comparatively larger. In the past, grain stalks were used for fuel, but after the establishment of the paper works, grain stalks are used for making paper. Thus, this resource is more rationally utilized. Since the establishment of the agricultural by-products processing works, tubers are processed into starch and the dregs, after first being utilized for distilling liquor, are then used as fodder for hogs.

Rice bran, after use in liquor distilling, is also used for hog feed. The mutual utilization of agricultural by-products and industrial by-products promotes industrial production, and at the same time provides large quantities of fodder for the development of animal husbandry, thus accelerating the development of agriculture. With the establishment of the native chemical fertilizer works, locally obtained bone is utilized, as are oyster shells, sulphurous ore, charcoal from coke and mud and saltpeter ore /potassium nitrate/. More than 3,790 tons of fertilizer were produced, lending support to agricultural production. Diversified operations of such a nature have unearthed and rationally utilized natural resources, and promoted the mutual support between and overall development of the various production departments.

Thirdly, the development of a diversified economy can expand public accumulation and increase the income of the commune members. The comprehensive development of all departments of the economy enables natural resources and labor power to be fully and rationally employed, and areas with better conditions for diversified economy will create greater wealth, expand public accumulation and increase the income of members of the commune. In the plains, the public accumulation in 1958 showed an increase of 147.2 percent over 1957, whereas in the mountainous area, the public accumulation in 1958 only showed an increase of 26 percent over 1957.

Viewed from the point of the accumulation per capita, in 1958 in the plains it was 14.69 yuan, while in the

mountainous area it was only 10.26 yuan, so that the figure in the plains was 43 percent higher than in the mountainous area. As to the level of income of commune members, in the plains the average annual income per capita was 87.4 yuan (not including the public supply portion and the family sideline occupation of members; this also applies to the other categories); in the semi-mountainous area the average income per capita was 79 yuan; and in the mountainous area the average income per capita was 57.7 yuan. Thus the income of the members in the plains was 10.6 percent higher than that of the semi-mountainous area and 51.4 percent higher than that of the mountainous area. Accordingly, the vigorous development of a diversified economy, the unearthing of natural resources to expand public accumulation, increasing the income of members, and raising their material and cultural standards are of most important significance.

Fourthly, the development of a diversified economy can provide more commodities for the market, promote urban-rural economic cooperation and consolidate the worker-peasant alliance. In 1958, the commune produced 3,916 tan of cocoons, 7,934 tan of tea, 1,118 tan of atractylis lancea formalyrata, 114 tons of native paper, 270,004 tan of fresh water fish, 20,412 tan of persimmons, 5,208 tan of water chestnuts, 42,897 tan of bamboo shoots, 700 tan of bananas and lotus roots, 19.8 tons of starch, 87.4 tons of sauce, 5.6 tons of white wine and 150,000 tan of vegetables. The large quantity of agricultural by-products effectively supported industrial production and supplies of subsidiary food in the cities, and is of important political significance to the strengthening of urban-rural economic relationships and the consolidation of the worker-peasant alliance.

The Superiority of the Development of Diversified

Economy by the People's Commune

Natural factors no doubt produce definite effects on the development of a diversified economy. However, the full utilization of natural resources and the overall development of production are to a greater extent decided by social conditions. The natural factors of the Liu-Hsia People's Commune are comparatively good. Nevertheless, during the period of the higher agricultural producer co-

operatives, because the scope of the cooperatives was small and manpower and material resources were limited, the rich natural resources had not been fully utilized. It is here that the people's commune reveals its great superiority. It has paved the way for the full and effective utilization of natural resources, the overall development of production, and has played and is playing a colossal role in the development of a diversified economy.

In this connection, the superiority of the people's commune is revealed in the following respects:

First, one of the most important advantages of the people's commune over the higher agricultural producer cooperative is the fact that its organization is on a large scale, its scope of activities is extensive, production can be planned in a unified manner, and the weak links in production can be appropriately developed.

Take the example of fish breeding in the Liu-Hsia People's Commune. In the days of the higher agricultural producer cooperatives, the members did not have their own fish breeding ponds, and fish fry was lacking and had to be purchased from far away. Many of the ponds on the outer spots of the area were not utilized, and even the ponds in the inner spots were not fully utilized. The development of production and the raising of output per unit of area were greatly affected. After the building of the people's commune, a fish breeding pond was established especially to produce fish fry. The area of outer ponds was increased by more than 1,000 mou, management was strengthened and the development of fish breeding was accelerated. Receipts from fish made up 19.8 percent of the total agricultural income, taking second place among all undertakings.

In the development of animal husbandry, many production teams established hog raising yards. The hog raising yard of Yang-Chia Pai-Lou production team especially reared sucklings to overcome the difficulty of the inadequate supply of sucklings and to promote the development of animal husbandry. With the thorough implementation of the Party's policy of "walking on two legs" by paying major attention to collective breeding and giving simultaneous attention to both collective breeding and individual breeding, animal husbandry underwent great development.

Unified planning for the use of land was undertaken

so that it could be rationally utilized to facilitate the development of a diversified economy. Originally, the plots given to tea in the commune area were scattered and management was not facilitated. The commune carried out unified planning, divided the tea plantations into areas and plots, strengthened management, and thus greatly raised the yield per unit area; that in 1958 being 35 percent higher than it was in 1957.

Originally, in the paddy areas of the commune there was a larger area of water fields and a lack of labor power, while in the semi-mountainous area, the area of water fields was less and labor power greater. After unified planning on the use of land was undertaken, labor power was fully utilized and field management was strengthened. At the same time the weak link of grain production in the semi-mountainous area was also appropriately strengthened.

In addition, trees were planted over the greater part of the waste hills. The development and management of bamboo groves and orchards were also strengthened, and this played a great role in the development of forestry production.

Secondly, the people's commune can more effectively fully mobilize and rationally make arrangements for the use of labor power. This plays a decisive role in the development of production. The higher agricultural producer cooperatives in the past had little labor power, and the potential could not be fully developed. The people's commune can undertake the unified mobilization and organization of labor power far more effectively than was done in the higher agricultural producer cooperatives. Overall arrangements can be made for the use of labor power so that suitable ratios can be allotted to industry and agriculture, and also to the different component parts of agriculture -- including agriculture, forestry, animal husbandry, sideline production and fish raising. Overall development of a diversified economy is thus possible. For example, during the slack winter agricultural season in 1958, the people's commune undertook the unified organization of several thousand workers from the production teams to proceed to the mountains to fell trees for firewood and to engage in sideline occupations. During a short period, income from sideline occupations was increased by 140,000 yuan.

The people's commune has established 95 communal kitchens, 167 nurseries, 116 kindergartens, one happiness hall /for old people/, and a large number of laundry and sewing teams. The operation of these collective welfare enterprises has enabled women to be relieved of domestic chores and to directly participate in industrial and agricultural production and construction. Labor power has been increased, generally by from 30 to 40 percent, thereby greatly overcoming the scarcity of labor power.

Third, with the building of the people's commune favorable factors have been provided for the operation of industry. Under the policy of operating industry to serve agriculture, the members of the commune took into consideration what was expedient in view of local conditions and established small sized factories, fully utilizing natural resources and agricultural by-products. They continually expand the scope of operations, and have realized the policy of simultaneous attention to industry and agriculture. This not only expanded the public accumulation of capital, but more important still, it also directly promoted the development of agricultural production.

During the all-people movement for the development of iron and steel, the people's commune built 27 small blast furnaces, and produced 89 tons of pig iron. The more than 20 small sized factories operated by the commune produced over 3,790 tons of native chemical fertilizers and over 2,000 tons of native insecticides, thus overcoming the lack of fertilizer and insecticides. They also produced more than three million white and red bricks and fire resistant bricks, more than 2,000 tons of lime and more than 19,000 tons of stone materials, all of which went to support industrial construction in the cities.

They also manufactured 1,743 sets of ball bearings, and basically permitted the installation of ball bearings on all vehicles. In 1958, profits from industrial production reached 93,500 yuan, which expanded the public accumulation of capital. With the development of commune-operated industry, favorable conditions have been created for the gradual modernization of agriculture, the raising of labor productivity and the transformation of the economic face of the rural areas.

GRAIN IS PRINCIPAL; STILL DIVERSIFIED OPERATIONS
ARE EXPANDED

The Rapidly Forward Marching T'ang Ho-K'ou
People's Commune in
Huai-Jou Hsien, Peiping Municipality

[The following is a full translation of a report on the T'ang-Ho-K'ou People's Commune from collective investigations made by a special investigation team of the Peiping Municipal Committee of the Chinese Young Communist League, and the report has been written by Wang Chia-liu, Fei Li, and Chang Yu-min. The report is published in Ta-Kung Pao, Peiping, 16 January 1960, page 3.]

Poverty Leads to Desire for Change

The T'ang-Ho-K'ou People's Commune in Huai-Jou Hsien, Peiping Municipality is located deep in a mountainous area outside the Great Wall, occupying an area 80 li long from north to south, and 40 li wide from east to west. The population consists of 3,402 households with a total of 16,554 persons. Cultivated land totals only more than 32,000 mou. The mountains are high, roads are far away, communications facilities are lacking, the land is poor and the population is sparse. Both production and the living standards of the masses are comparatively at a low level.

It is true that after going through the stages of the mutual aid teams, the lower agricultural producer cooperatives and the higher agricultural producer cooperatives, production conditions and the living standards of the people have been raised. Nevertheless, because the original foundation was very weak, the level of production was raised only slowly. Before 1957, the state had to supply the area with between one and two million chin of grain for food each year, and the transport expenses incurred in this subsidized grain supply were even higher than the cost of the grain. From 1955 to 1957, the area had to rely on relief funds totaling more than 13,000 yuan each year, over 600 pieces of clothing and over 19,000 yuan in loans for livelihood.

"Poverty leads to the desire for change." A man may be poor, but his spirit is indomitable. The masses urgently demanded to transform the face of the mountain area from its state of "first poverty and second blankness," at the highest speed in order to realize a big turnover economically and culturally. In 1958, the masses and the cadres at T'ang-Ho-K'ou were roused by the Party's general line for socialist construction and the situation of the nation-wide big leap forward. With high spirits and a roused will to enter into combat, they vigorously launched such mass movements as the development of water conservancy, afforestation, universal cultivation of the land, deep plowing and extensive accumulation of manure.

The people broke down barriers between cooperatives and hsiang, and practiced great cooperation in use of labor power. They mobilized labor power most extensively, and even women who in the past never worked in the field, as well as people with only a semi-labor capacity were called up for work. To cope with these demands, nurseries, kindergartens and communal kitchens came into existence. By this time, the organization of the people's commune became the natural trend.

In May 1958, the hsiang Party committee began to consider the merger of the large cooperatives and in July to plan the establishment of a collective farm. On September 1, the original 29 small cooperatives in the six hsiang were officially amalgamated to form a people's commune which integrated the commune with the government. The big leap forward promoted the birth of the people's commune, while the establishment of the people's commune in turn promoted the big leap forward. Particularly after the overhauling of the commune carried out in the spring of 1959, the commune rode on the road of greater solidarity and healthy development, and growingly revealed its superiority.

With the excellent organizational form of the people's commune, the people of Tang-Ho-K'ou found themselves equipped with wings and marched forward with flying speed. During the last year they achieved amazing results under the leadership of the Party. In 1959, the total income of the people's commune was expected to reach over 1,796,000 yuan, an increase of 92.33 percent over 1958. It was estimated that the total output of grain in 1959 would exceed 11 million chin, being a further increase of

27.93 percent over 1958, the year of the big bumper harvest. The average yield per mou reached 370 chin, an increase of 31.89 percent over 1958. In 1959 the average amount of grain produced per capita was 733 chin, and after making provisions for rationed grain and grain used as seeds and fodder, the commune could sell to the state surplus grain amounting to more than two million chin.

The development of animal husbandry has been even more rapid. By September 1959, the number of hogs raised reached 10,060 head, an increase of 105 percent over the number retained for breeding in 1958. The commune also sold 2,514 head of hogs and overfulfilled its task by 31.62 percent. By September the number of sheep reached 14,047 head, an increase of 45.47 percent over the number retained for breeding in 1958. The number of sheep sold was 1,646 head, overfulfilling the task set by more than seven times. Today, the amount of domestic animals kept by the commune has reached the average of 3.3 head of sheep, 3.2 head of hogs, 1.2 head of cattle, and six chickens for each household.

The commune has also reported great development in sideline occupations, forestry, commune-operated industry and communications and transport. With the development of production, the members of the commune have also greatly increased their income. In 1959 the average distribution of income to each household reached 290.20 yuan, an increase of 87.68 percent over 1958. With income from sideline occupations added, the average income per household reaches 436.90 yuan, an increase of 101.21 percent over 1958. On the same basis, the average income per capita would reach 89.21 yuan, an increase of 100.3 percent over 1958.

The purchasing power of the members of the commune has also been greatly raised. The total retail sales volume of the supply and marketing cooperative more than doubled that for the same period in 1958. Savings in the bank in 1959 exceeded 40,000 yuan.

In addition, cultural and educational activities also saw great development. In the past there were few literates in the area, and the agricultural cooperatives had difficulty in finding bookkeepers. Today, primary education has been universalized, and more than 97 percent of children of school age are in schools.

Generally speaking, in the short space of just over one year since the establishment of the people's commune, great changes have taken place in the face of this mountainous area.

From Grain Deficiency to Grain Surplus

In the course of the big leap forward, the people of T'ang-Ho-K'ou broke down the superstitious belief that "a mountainous area cannot be developed as quickly as a plains area." They exerted the utmost efforts and became resolved to put an end to the poverty of the mountains and harm from the waters, so as to thoroughly uproot the causes of poverty. They had first to solve the problem of food supply. Until the problem of grain deficiency was solved, the living standards of the masses could not be raised, their spiritual bonds could not be removed, and there could be no talk about the vigorous development of diversified operations, the development of the economy of the mountainous area, and the rapid and thorough transformation of the backward condition of "first poverty and second blankness."

During the past few years, under the leadership of the Party, the people of T'ang-Ho-K'ou had relied on the forces of the agricultural cooperatives and the production of grain rose year after year. However, the small size of the agricultural cooperatives, and the lack of funds and labor power placed limitations on the complete realization of unified planning, rational sowing and the vigorous development of farmland capital construction. Accordingly, the yield per mou of land still fell below 200 chin.

The big leap forward and the movement for the building of the people's commune created the most favorable conditions for the increased production of grain. The T'ang-Ho-K'ou area reaped bumper harvests in both 1958 and 1959, and this fully revealed the incomparable prowess of the people's commune. First, the big leap forward and the people's commune facilitated the vigorous promotion of capital construction in farmland conservancy. In the winter of 1957 and the spring of 1958, the masses, on their own initiative, broke down barriers between cooperatives, and cooperated to march on the high mountains and deep valleys, and in a single outburst of effort built more

than 11,000 dikes along the valleys, and dug 3,860,000 "fish scale" ditches and 4,950,000 meters of channels to permit a constant flow of water. The total volume of engineering work involved amounted to more than five million cubic meters of stone and earth work. This was a great innovation unprecedented in history.

These engineering projects played a colossal role in the control of mountain torrents, the preservation of water and soil, and the guaranteeing of a bumper harvest. In 1959, rainfall was particularly heavy in the area. During the period of more than two months from the end of June to the early part of September, rainfall reached over 760 millimeters, approaching that of 1939. That was the year with the greatest rainfall for decades. In 1939, when the mountain torrents broke loose, more than one-third of the land in the T'ang-Ho-K'ou area was destroyed, and the whole of Huang-T'ang-Ts'un was washed away. Wherever the torrents struck, houses collapsed, animals were scattered, and over 200 people lost their lives in the flooding.

In 1959, the conditions were entirely different. The mountain torrents were controlled by the various water conservancy projects and measures, and their destructive power was greatly weakened. Not only were both human beings and animals safe, but on the major portion of the farmland the rice seedlings grew unharmed, and only 766 mou of land suffered from the washing of the torrents.

Simultaneous with the comprehensive attention to mountainous land, the people also developed channels to lead the water to desired points. They built 50 channels of various sizes, and increased the irrigated area by more than 5,000 mou. Such projects could not have been possibly undertaken by the former agricultural cooperatives independently. In the original 29 cooperatives, the larger ones had from 100 to 200 households, and the smaller ones had only between 20 and 30 households. People were few and their strength weak. Though they had wanted to attend to the remodeling of the mountainous regions, their capacity to do that did not match their intention. With the big leap forward and the people's commune, these questions were easily solved.

Second, the great increase in grain production is attributable to the vigorous development by the people's

commune of the movement for the accumulation of manure and the rapid development of animal husbandry. In the past, the people in the T'ang-Ho-K'ou area only applied fertilizer to land on the plains along the rivers and places near the villages, and only about 2,000 chin of manure was applied to each mou of land. Because of the insufficient supply of manure, the height of the mountains and the remoteness of the fields, and the difficulties involved in operations, manure could not be applied to many areas on the mountain slopes.

After the building of the people's commune, with rational arrangements made for different tasks, the full mobilization of labor power and vigorous development of the movement for the accumulation of manure, the situation was greatly changed. In 1958, the area over which manure was applied exceeded 15,000 mou, and in 1959 this was further expanded to more than 19,000 mou. In addition, in 1958, a second application of manure was carried out over more than 8,000 mou of land, and in 1959 this was increased to more than 15,000 mou, including two additional applications over more than 7,000 mou. The average quantity of manure applied to each mou exceeded 7,000 chin in 1959. From 70 to 80 percent of it was hog manure.

The increase in manure was directly connected with the rapid development of animal husbandry after the building of the commune. Today the commune has achieved the situation in which there is one hog for every three mou of land, one sheep to two mou of land, and one cow to 8 mou of land. Hence manure supply sources have been greatly increased. To solve the difficulty of transporting manure, many production teams established sties on their fields in order to accumulate manure on the spot and thereby considerably economize on labor power. With manure applied over wider areas and in larger quantities, not only is production for the current year guaranteed, but there is also beginning to be an improvement in the soil and strengthened resistance to waterlogging.

Furthermore, after the building of the commune, field management work has also been carried out more intensively, and many technical agricultural innovations have been realized. Because the people's commune has brought to the area these superior conditions, grain production per mou in the area increased from more than 100 chin before the commune was built to over 300 chin now, which is a big leap.

Development of Diversified Operations

The great increase in the production of grain led the people to consider with an easy mind the next battle in the transformation of the face of the mountainous area. The masses realized that for an area like T'ang-Ho-K'ou which is deep in the mountains to achieve a thorough turn-over economically, mere reliance on agricultural was not enough. The cultivated area of T'ang-Ho-K'ou is only somewhat more than 32,600 mou, averaging only two mou per capita. Mere reliance on the increased output of grain cannot rapidly increase income and so the people must vigorously develop diversified operations and seek their comprehensive development.

The T'ang-Ho-K'ou area is rich in natural resources, with wide pastures, expanses of land suitable for afforestation, and with ground ivy and medicinal herbs everywhere. It is veritably an area which abounds in treasures. The people's commune, like a newly risen sun, has paved the wide road for the development of diversified operations. The people's commune has started many enterprises which the agricultural cooperatives could not have done. It has overcome many contradictions which the agricultural cooperatives found it hard to overcome. Relying on the powerful weapon of the people's commune, the Party committee of the commune has led the broad masses to march forward along the great road of diversified operations.

The development of animal husbandry has been especially rapid. It was still in the early stage of the people's commune when unified plans were drawn up for the development of animal husbandry. They called for efforts on the part of key production teams suited to develop animal husbandry. At that time the commune was comparatively poor. Take the example of the locality of Tien-Ho Tung-K'ou, between Chan-Tzu-Ts'un and Tao-Te-K'ang, a very good expanse of pasture land. The original higher agricultural producer cooperative had no means to develop it into a pastoral field. Today, this has become one of the key pastoral bases of the commune.

In the fall of 1958, the commune unified control and made keypoint uses of loans from the state, and thus it was able to bring in a large herd of animals, including 2,293 head of sheep, 1,351 head of cattle and more than 5,000 head of hogs. This measure laid a sound foundation

for the animal husbandry industry. Had this capital been spread over the different agricultural cooperatives and used in a scattered manner, the results would have been very much smaller. With the commune making key usage of the funds, not only were returns on investment prompt, but the originally poorer production teams were also enabled to catch up, and to gradually eliminate the differences between the poor teams and the rich teams.

The people's commune created favorable conditions for the production of animal husbandry. In the whole commune, only 811 persons are not engaged in animal husbandry [or related occupations]. The commune has recently established six veterinary stations and one breeding station. Both the commune and the production teams have assigned full time personnel to be responsible for leadership over animal husbandry, and a set of needed management and operational systems has been established. In this way, animal husbandry has become an economically operated department with its own specialized force, and a system of management.

Before the building of the commune, the agricultural cooperatives were restricted by a lack of funds, and people were found herding only two or three sheep or perhaps four or five. In addition, there were no hog sties operated by the cooperatives. Even more remote, therefore, was the possibility for them to think of building a specialized force. The cooperatives, moreover, generally exercised weak leadership over animal husbandry, usually paying major attention to agriculture and only casual attention to animal husbandry. In attending to one, they had to neglect the other, and they could not reach the stage of unified planning and comprehensive attention.

After the building of the people's commune, the establishment of a special force in charge of animal husbandry facilitated the strengthening of leadership. The Party committees and administrative organs of the commune, the administrative area and the production teams all assigned special personnel to assume responsibility in leading the work in animal husbandry. The Party committee of the commune further carried out ceaseless propaganda amongst the personnel who tended livestock and amongst the broad masses as to the advantages of the development of animal husbandry. It also undertook the measure of listing both political and economic advantages

explaining that the development of animal husbandry is a "measure with two good results and benefits three sides." And, that it is a glorious task which benefits greatly the state, the commune and individuals.

In the field of operations and management, the commune established the responsibility system and the award and punishment system. It practices the measures of "three guarantees" (guaranteeing the rate of birth, the rate of growth, and the rate of growing weight), and special awards for overfulfillment of tasks, thereby rationally solving the problem of labor remuneration. To raise the level of stock breeding and management, the commune and the various production teams hold regular meetings to summarize and exchange experiences.

As the result of this series of measures, the commune has fully developed the activism of the stock breeding personnel. Many advanced workers have emerged. For example, Chiang Yu-lin, a livestock breeder of the Niu-Chuan-Tzu Production Team, when faced with the situation of a mother cow about to give birth, disregarded rain and storms and rose from his bed at night to take care of the cow.

And, Chang Chung, a worker of the Tao-Te-K'ang Production Team, was especially careful in tending sheep, and accumulated great pastoral experience. He paid special attention to changing the slopes on which his herd of sheep grazed, and translated his method into the following experience: "In spring, let the sheep graze on the sheltered slope; in the fall place them on the open slope, and in May and June free them on the plains." As a result, the 54 sheep he was in charge of in one year gave birth to more than 70 lambs, many of the mothers giving birth to twins. Because of proper operation and management in 1959, more than 95 percent of the lambs and sucklings of the commune grew to maturity.

In the development of animal husbandry, the Party committee of the commune earnestly implemented the policy of "walking on two legs." After the building of the commune, collective breeding of livestock underwent great development. The commune has large herds of sheep and cattle, and has established over 30 collective hog yards and one poultry hatching center. At the same time, the commune has also strengthened leadership over and made

unified arrangements for the breeding of domestic animals and poultry by the individual households.

In the development of hog raising and poultry farming, the commune has practiced the method of the commune hatching and the individual households rearing the birds and animals. In 1958, the commune supplied members with 4,845 sucklings which basically guaranteed the needs of the individual households for rearing hogs themselves. The commune controls the sources of supply of sucklings and chickens and the state supplies a portion of the fodder, which is controlled and marketed by the supply and marketing cooperative. In this way, individual breeding has been placed within the orbit of state planning, and while it is given its due opportunity for development and to serve the socialist economy, it is prevented from developing into capitalist type of operation.

Simultaneous with the great development of agriculture and animal husbandry, great development has also been witnessed in sideline production, forestry, commune-operated industry, and communications and transport. The people's commune unified arrangements for all phases of production. Even under the conditions of a very tense situation in labor power, sideline production has not been brushed aside. On the other hand it has developed very quickly, and the ratio of collective sideline production has greatly increased. In 1959, income from collective sideline occupations exceeded 360,000 yuan, an increase of over three times compared with 1958. The items operated included the raising of cocoons, bees, the cutting of ground ivy, the cutting of firewood, and the preparation of medicinal herbs. There are more than 10 items in all, and more than 200 kinds of products are produced.

In forestry, the commune strengthened the development of nurseries, and in the fall of 1959 it was to develop mulberry groves and orchards.

Commune-operated industry and communications and transport enterprises are still in their initial stage of development and the scale of operations is still small. However, in this distant and poor mountainous area, the efforts made have always played a prominent role. In the past, the people had to go to the hsien city of Hsai-Jou to have their farm tools repaired, with the round trip taking four to five days. But since the commune established

its repair and assembly works for farm tools, it has manufactured over 2,800 items and repaired over 1,200 items. The production value of commune-operated industry has exceeded 50,000 yuan, and has contributed greatly to increased agricultural production.

The highway from the commune to Huai-Jou has been repaired, and the number of the commune's large rubber-wheeled vehicles has been increased to 24. Large quantities of native and special products can now be exported to other areas to promote the interchange of supplies, greatly enlivening the economy of the mountainous area. As the members of the commune remarked, "The lid of the chest of treasures has been lifted, and dead wealth now becomes living wealth."

Commercial work is now more closely combined with production work. The understanding of what it means to serve production has been clarified. The Party committee of the commune has strengthened its leadership over commerce, including it in the overall plans, and making unified arrangements for it. Workers in the commercial field have also exerted their utmost efforts, and contacted households and production teams to make purchases on the spot.

As the result of the development of diversified operations, the agricultural income of the commune in 1959 made up only 59 percent of the total income, with income from other sources accounting for the remaining 41 percent. In 1958, the agricultural income constituted 71.2 percent and other income only 28.8 percent.

The great development of diversified operations also promoted great development of the mercantile economy. The commune's income from animal husbandry, sideline occupation and commune-operated industry has reached 736,189 yuan, and the greater portion was cash income. This enabled the commune to add to its favorable conditions for the purchase of more production materials and to make advances against the distribution of forthcoming income.

In 1958, the public accumulation of the commune was greatly increased, and the public reserve fund reached 190,523 yuan, while the public assets of the commune reached 233,552 yuan. Though the amount is still not to be considered great, there is a great future for develop-

ment, and it will play a more and more prominent role in acceleration of the development of productivity and the gradual transition to the system of all-people ownership.

The Bright Future

The T'ang-Ho-K'ou People's Commune has been in existence for only somewhat more than one year, and already it has revealed its unlimited vitality of youth. The masses personally went through a change that rended heaven and overturned the earth, and they began to taste the big leap forward. The people's commune has born rich fruits. The people and the commune have become as inseparable as bone and flesh, and without exception the people praise the commune and express one after another that they "must put their heart into the commune, and place their zeal in production."

The masses are full of unlimited hopes for the beautiful future. The mountains are the same mountains as of old, the waters are still the waters of old. But in the eyes and the minds of the people, they are no longer the "poor mountains and evil waters" which man has no power to control, but rather boundless resources and treasures awaiting development. In 1960 the T'ang-Ho-K'ou People's Commune will see further development in all its activities. the members will continue to grasp tightly grain production, and at the same time, with grain as the principal, they will vigorously develop diversified operations. Commune-operated industry and communications and transport will also undergo overall development.

To guarantee the supply of grain rations, and to provide sufficient fodder for the development of animal husbandry, the grain output in 1960 will have to show an increase of 16 percent over 1959, and the average yield per mou must reach 430 chin. In the development of animal husbandry, the ratio of collective breeding will be greatly increased, so as to accelerate the development of animal husbandry and strengthen the collective economy of the commune. According to plans, the number of hogs is to be increased by 123.6 percent; that of sheep by 69.9 percent and that of cattle by 39.9 percent. Hogs collectively raised will constitute from 60 to 70 percent of all hog breeding.

In forestry production, the commune will vigorously develop orchards and industrial forests to increase the supply of subsidiary food to the metropolis and to support national economic construction. In 1960 the commune will plant more than 25,000 mou in trees for the production of fruits, which will be sold fresh and dried, It will also plant 10,000 mou of mulberry trees.

The overall development of diversified operations calls for a large amount of labor power. Mere reliance on the improvement of labor organization and the unearthing of labor potential will not be sufficient to meet the needs. It is therefore necessary to gradually realize mechanization to rapidly raise labor productivity. The T'ang-Ho-K'ou People's Commune in 1960 plans to build four hydro-electric stations with a total capacity of 200 kilowatts. It will also increase its power machinery by 12 machines, and add two tractors, two motor vehicles and 40 rubber-wheeled trucks. At the same time, it plans to establish a comprehensive repairing and assembly works, a brick and tile works, and a low-grade cement works to serve various phases of agricultural production and construction. It can be imagined that with the passage of time, the superiority of the people's commune will become more and more revealed.

The brilliant future of the people's commune is rousing the people of T'ang-Ho-K'ou into raising higher the red flag of the general line, while marching from victory to greater victory.